

**A Needs Assessment of Indigenous Migrants in Asunción, Paraguay:  
Prerequisites to Workplace and Entrepreneurial Success**

Nicholas Andrés Yepes<sup>1</sup>

Hamilton College

August 2012

**Abstract**

In this study I investigate what indigenous migrants from the interior of Paraguay need in order to become self-supporting through the establishment of a small business or the attainment of a job in Asunción, Paraguay. I also identify what the population of indigenous migrants lack and what obstacles keep them from qualifying for jobs or obtaining capital to start businesses. I explore the two issues of migrants' finding a job or starting a business by conducting seventy-seven interviews with business people, governmental and non-governmental organizations, and the indigenous migrants. These interviews indicate that very few migrants are in a position to open a business or even qualify for a job in the urban center. First, indigenous migrants often lack food and do not have proper access to basic services such as health care, housing, and water. Furthermore, ineffective organizations, unfair practices, low educational levels, cultural differences, and prejudice make economic independence difficult to attain for most indigenous migrants in their present circumstances.

---

<sup>1</sup> This paper was prepared for and funded by the Levitt Center for Public Affairs at Hamilton College. All views expressed here are my own. I can be contacted at [nyepes@hamilton.edu](mailto:nyepes@hamilton.edu). Professor Emily Conover of the Hamilton College Economics Department was my faculty mentor and supervisor on this project. All names of individuals and organizations mentioned in this paper have been modified or omitted as to keep their identities confidential.

## I. Introduction

In this study, I focus on discovering what indigenous migrants from the interior of Paraguay need to have in order to become self-supporting through the establishment of a small business or the attainment of a job in Asunción, Paraguay. I also identify what the population of indigenous migrants lack or what obstacles keep them from qualifying for jobs or obtaining capital to start businesses. I address these two issues from the perspectives of business people, non-governmental organizations (NGOs), and the indigenous migrants themselves.

To address the objectives outlined above I collected data from business people, NGOs, and indigenous migrants while living in Paraguay's capital, Asunción. I visited managers and owners in their places of business and asked them what they look for in hiring workers. I interviewed leaders of NGOs and governmental agencies that help migrants and disadvantaged workers. Lastly, I met with many indigenous migrants from communities in and around Asunción to learn what help they needed in order to get a job or obtain capital, and I asked questions designed to evaluate their skills, education, and living conditions. I then analyzed these data to draw conclusions on what is needed in order for the target population to obtain start-up capital or get a job.

In collecting data for this project, I discovered that very few indigenous migrants are able to get and maintain jobs in their present circumstances. Even fewer qualify to obtain credit necessary for opening a business. My data indicate that many of the recent migrants that have come to the city in search of help were displaced from their land in rural areas. In fact, over the past twenty years, more than 100,000 farmers have moved to city slums, become landless, or moved to other countries as a result of Paraguay's soy boom (Hobbs, 2012). Many indigenous groups in Paraguay had a sustainable lifestyle of hunting, gathering, fishing, and farming that they maintained for centuries (Reed, 1996, p. 53). Moreover, within their homelands, they had a well-developed social system. However, both their

way of making a living and their social support system have been destroyed because their lands have been overtaken for cash-crop farming (Romero, 2012). While the Paraguayan economy is growing rapidly from cattle ranching and the cultivation of soy, Paraguay's indigenous population has been marginalized. Thousands of indigenous migrants are now living in or around the nation's capital in extreme poverty (López, 2009). While collecting the data, I realized these migrants had a number of un-met needs that were prerequisites to getting credit for starting up a small business or getting training for a job. My analysis focuses on what the indigenous migrants need in order to be able to get a job or obtain a micro-credit loan.

The indigenous migrants of Asunción face a systemic problem that can be simplified into three main parts. First, they lack access to basic services such as potable water, food, adequate shelter, and health care (United Nations Permanent Forum on Indigenous Issues, 2009). Second, the target population has a weak grasp of Spanish and is poorly educated. These two problems prevent them from assimilating to life in Asunción, becoming employable, and qualifying for credit. Third, governmental agencies and NGOs that I interviewed could improve the way in which they help people that are in greatest need. Certain organizations exist for the sole purpose of providing social and legal support to indigenous people, yet of the over forty indigenous people I interviewed that have come to Asunción, none said that they were satisfied with the help they received from such organizations. Lastly, since NGOs that offer micro-credit loans often target poor people that are in a more stable position than the migrants, there is a need for service groups that help indigenous people with the greatest needs, such as the displaced indigenous groups that are homeless.

This study is important for academic, humanitarian, and economic reasons. It was difficult to find basic statistics of the indigenous population or similar studies. In fact, with the limited studies I did come across, I found differences in figures between sources such as the CIA's World Factbook and the

National Paraguayan Indigenous Census of 2002. A researcher involved with the 2002 Census indicated that the Paraguayan government purposefully omitted data about poor indigenous groups that were living in large numbers in a landfill in Encarnación, Paraguay. To my knowledge, my study is the first project to document the obstacles impeding indigenous migrants in Asunción from becoming employable or obtaining capital to open a business. This report will spread awareness of the critical nature of this situation. This report is also beneficial for exposing the inhumane living conditions and government policies that the indigenous population has been coping with for several decades. For example, the community from Caaguazú that lives next to a supermarket that I visited with a translator lacked family planning services, protection from the rain, and bathed in the water drains. While the Paraguayan economy growth rate averaged at 4.9 percent per year from 2003 to 2010, and peaked at 15.3% real GDP growth in 2010, the new wealth has not been equally distributed (IMF-Paraguay-Selected Issues, 2011, p. 4). Many indigenous migrants who had a sustainable way of life are now living in misery. Although the sample of interviewees is likely to be selective, certain conclusions appear warranted based on the data collected: If handled properly, the cultures of these groups may still be able to be conserved and the migrants will be able to benefit from globalization. In my view, such an outcome is only possible by providing this group with all the basic services they need such as suitable housing, nutrition, and health care, giving them a bilingual education in both their native language and Spanish, and making sure that governmental agencies and NGOs follow through on their stated missions.

The paper is structured as follows: section III provides background information on Paraguay's history, population, demographics, and educational system, which helps the reader contextualize the situation of the migrants. Section IV summarizes the data collected. Data displayed in this section includes information about the three types of participants in my study: business people, NGOs, and

indigenous migrants. The findings of this study are presented in Section V, which explains why language barriers, cultural difference, prejudice, and lack of support from governmental organizations and corruption are systemic obstacles that prevent the target population from getting capital to open businesses or obtain jobs. I conclude in the penultimate section by providing a brief summary and reflection on the project.

## II. Background

In this section I present summary information about Paraguay's geography, population, languages, education, economy, and the history of the indigenous people. This background information should help contextualize the current situation of the indigenous migrants in Asunción, Paraguay.

### A—Geography and Population

Paraguay's total land mass is roughly equivalent in size to the state of California, and is one of two land-locked countries in South America. The country is flat and is divided by the Rio Paraguay. To the east of the Rio Paraguay lie grassy plains and wooded hills and to the west is the Gran Chaco region that is mostly low, marshy plain near the river, and dry forest and thorny scrub elsewhere (CIA World Factbook, 2012). The country's most well-known natural resource is hydropower, but it also has timber, iron ore, and limestone. Paraguay is bordered by Argentina, Bolivia, and Brazil—three countries off which Paraguay's economy depends greatly. The total population is 6.6 million, 61% of whom live in urban areas. Paraguay's capital, Asunción, is home to nearly two million people and is expanding rapidly into nearby suburbs. Although ninety-four percent of the total population is literate, only 51% of the indigenous population is literate.

### B—Languages and Education

Paraguay is the only remaining country in the Americas in which the majority of the population speaks a common indigenous language, Guaraní. As stated in Paraguay's constitution, Guaraní has equal status with Spanish. In most other Latin American countries, such as Bolivia, indigenous languages are widely spoken, but not by mixed races nor by the traditional elite. More than 95% of Paraguay's population is mestizo (mixed indigenous and European blood). In contrast to other Latin

American countries, linguistic mastery of Guaraní is an essential tool for Paraguayan politicians to appeal to the masses. All public schools offer Guaraní language classes. Over 90% of Paraguayans speak Guaraní, even though the indigenous population only accounts for 1.8% of the total population (Romero, 2012). This population can be stratified by both language and ethnicity. There are five main linguistic families in Paraguay: Guaraní, Zamuco, Maskoy, Mataco, and Guaycuru. Each of these languages has many different dialects and most of them can be heard in the twenty ethnic groups.

The Paraguayan education system is structured in three levels: la educación inicial (EI) and escolar básica (EEB), la media, (EM), and la superior (ES). It is not mandatory to attend la educación inicial, which is for children up to five years old. The EEB is required for children ages six to fourteen, although in practice many children do not attend school. After completing EEB, students who are willing and able to continue their education matriculate to la educación media. From age fifteen to seventeen students can work towards a title in science and technology (Bachillerato Científico y Bachillerato Técnico. The EM is equivalent to high school in the United States of America, while ES is equivalent to university and professional training programs. The average number of years of schooling for the Paraguayan population over age fifteen is 8.3 years, while the indigenous population averages at just 2.1 (STP-DGEEC, 2009).

## C—Economy

Paraguay, although a small, landlocked country, has one of the fastest growing economies in South America. In 2010, its real GDP grew by over 15%, and rose again by 6.4% the following year (IndexMundi, 2010). Nearly one quarter of Paraguay's economy is in the agricultural sector. The main agricultural products produced in Paraguay include mandioca, cotton, sugarcane, soybeans, corn, wheat, tobacco, cassava, many types of vegetables, beef, pork, timber, and milk. Paraguay, however, is

most well known for being the sixth largest soy producer in the world. It also is renowned for its beef. In addition, it produces 6.4 times more power than it uses via hydroelectric generators from the waterfalls it shares with Brazil. GDP per capita was \$5,500 in 2011 and real GDP was 22.3 billion dollars (CIA World Factbook, 2012).

#### D—History of Paraguayan Indigenous People and Government Organizations and Policies

Before the Spanish arrived in the Americas and colonized Paraguay, the indigenous people had a sustainable lifestyle in which they averaged four hours per day working and spent much of their time with their families. They hunted, fished, planted gardens, and foraged for herbs and other products of the forest. Despite contact with many European groups during the following centuries, these native groups maintained their culture and autonomous economy up until the 1970s (Reed, 2009, p. 68).

In the 1970s, tens of thousands of acres of forest began to be cleared to plant popular cash crops such as cotton and wheat. This process began when the government ordered the construction of the first roads through hundreds of miles of undeveloped land. Although the roads were built for the benefit of the military as means of protection from neighboring Argentina and Brazil, logging companies quickly saw potential profits in Paraguay's expansive forests and began to clear the land. In just the first six years of logging, Paraguay's forests shrank by 38% from 6.8 to 4.2 million hectares. Just ten percent of Paraguay's total forest was left by 2000 (Reed, 2009, p. 66).

The changes that began in the 1970s were unlike anything indigenous groups had experienced before. In fact, for centuries native groups had exposure to merchants and other societies. They occasionally purchased goods they needed, but never became dependent on neighboring modern economies. Entrepreneurs profited from this agricultural boom in soy and cattle production, and the Paraguayan government who sold them the land did, too. Meanwhile, many indigenous groups found

the land on which they lived to be diminishing. Smaller plots of land made activities such as hunting more difficult and ultimately forced them to assimilate into the larger society. Some indigenous peoples had no option but to work for commercial farmers (Reed, 2009, p. 74). More and more indigenous people resorted to commercial farming over the years. In order to get into the business, these natives incurred enormous debts to obtain the tools and seeds they needed to begin. Furthermore, they were dependent on markets for all necessities and did not have a source of income until harvest time (Reed, 2009, p. 72).

Another job that many indigenous people resorted to was wage labor in the fields of foreign farmers. Many Germans, Brazilians, and Argentinians bought land from the Paraguayan government and then contracted indigenous people to work the fields. The advantage of this job over the previous is that most indigenous people did not become hugely indebted. However, compared with their traditional hunting, gathering, and gardening tasks, the primary disadvantages of their new options of commercial farming and wage labor were that their society lost autonomy and males and females could not contribute equally.

In 1992 amendments to Paraguay's constitution gave indigenous Paraguayans the same rights as all other Paraguayan citizens. For example, Article 63 recognizes the right of indigenous peoples to preserve and develop their ethnic identity in their respective habitat. The Paraguayan Constitution also recognizes that indigenous peoples have the right to community ownership in the land, of sufficient extent and quality to preserve and develop their particular ways of life (*Constitución de La Republica del Paraguay, Artículo 64*, 1992). The Paraguayan Government created the Instituto Paraguayo del Indígena (INDI), which sought to encourage indigenous participation in all areas of the Paraguayan State and Society through ensuring strict compliance with indigenous rights.

## E—The Current Situation

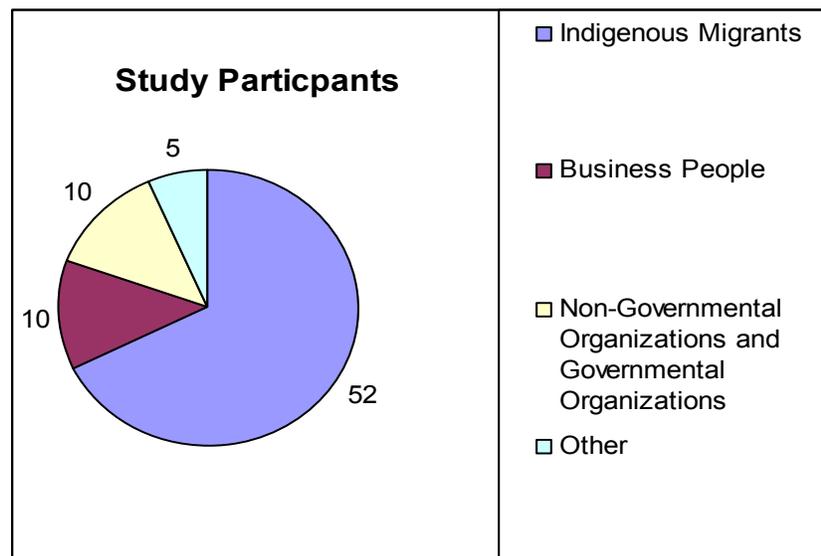
In recent years, agricultural expansion has not slowed. “At least 1.2 million acres of the Chaco have been deforested in the last two years, according to satellite analyses by Guyra, an environmental group in Asunción,” writes Romero of the New York Times (2012). Such activity has resulted in a boom in Paraguay’s beef industry, 85% of which is exported. Now, slightly more than one-tenth of Paraguay’s original forests exist. Although indigenous Paraguayans are promised land and protection of their rights in court and by INDI, in practice this compensation, aid, and protection has not happened. In effect, many indigenous people have been displaced from their lands and are now in the cities trying to survive and struggling to adapt to a new culture.

### III. Data

#### A. Overview of Study Participants

This study utilizes first-source data that I collected from seventy-seven interviews. Some of the participants include: ten non-governmental or governmental organizations (NGOs), ten business people, six artisans, two anthropologists, one doctor, and 52 indigenous migrants, 12 of whom were leaders of their communities. Figure 1 displays what types of people and organizations participated in my study.

Figure 3a—*Breakdown of Study Participants*



#### B. Data From Indigenous Migrants<sup>2</sup>

Table 3b shows how long the fifty-two indigenous people I interviewed have been in Asunción. I asked migrants why they came to Asunción and the top answers were to legalize their papers, protest, and find better opportunities. As shown below, more than half of the migrant participants had only been in the capital for less than a year. Nearly all of these participants came to legalize their papers with the

<sup>2</sup> All pie charts, bar graphs, and other visual aids in this section display data collected from a total of fifty-two indigenous migrant participants.

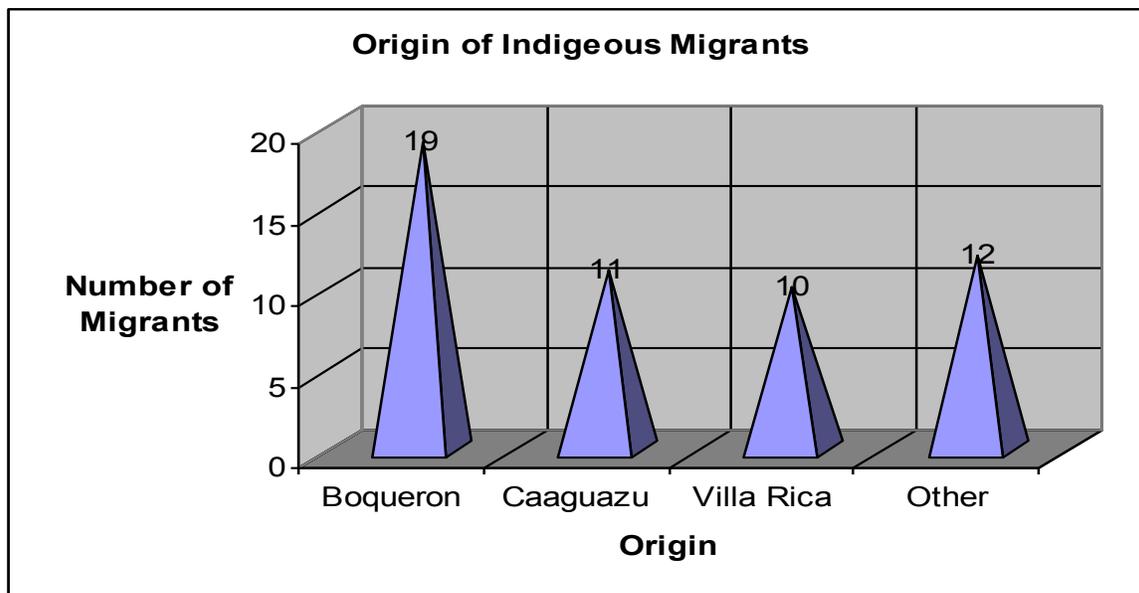
Paraguayan Indigenous Institute (INDI), a governmental agency responsible for supporting the indigenous population. Those who had been in the capital over one month had difficulties with INDI in getting the help that they needed. Many indigenous participants that lived more than one year in the capital were either artisans or worked in carpentry. Lastly, people who had been in the urban center for more than five years included doctors, teachers, and community leaders.

Table 3b—*Indigenous Migrants Time In Asunción*

Time in Asunción	Frequency	Percent	Cumulative Percent
0-30 Days	10	19.23%	19.23%
1-11 Months	18	34.62%	53.85%
1-5 Years	8	15.38%	69.23
Over 5 Years	16	30.77%	100.00%

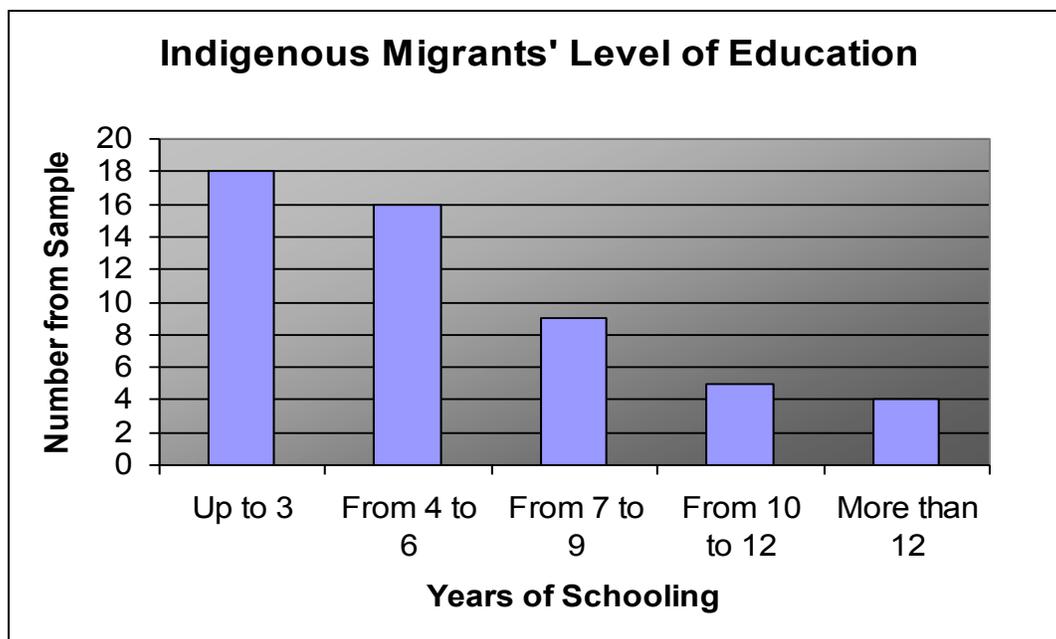
The indigenous people I interviewed came to Asunción from all over Paraguay and represented seven departments (provinces of Paraguay). The most common department represented was Boquerón, the largest land mass of all Paraguayan departments. Other regions that were less frequently represented include Curuguaty, Presidente Hayes, Nueva Promesa, Filadelfia, and Alto Paraguay.

Figure 3c—*Origin of Indigenous Migrants*



The mean number of years of schooling for the indigenous people in my sample was far higher than the national average of 2.1 years (DGEEC, 2002, p. 18). This can be attributed to the fact that a large percentage of my interviewees were leaders and teachers in their communities. The mean years of total schooling was 6.596, the median was 6, and the mode was 3. Outliers such as Doctor Trejo, a MD at a hospital in Luque and member of the Ministry of Education, pulled the mean up with more than 20 years of schooling. The overall low level of education of indigenous people found in my sample, and the even lower national average, is one of the core obstacles impeding the target population from creating a business or for qualifying for a job.

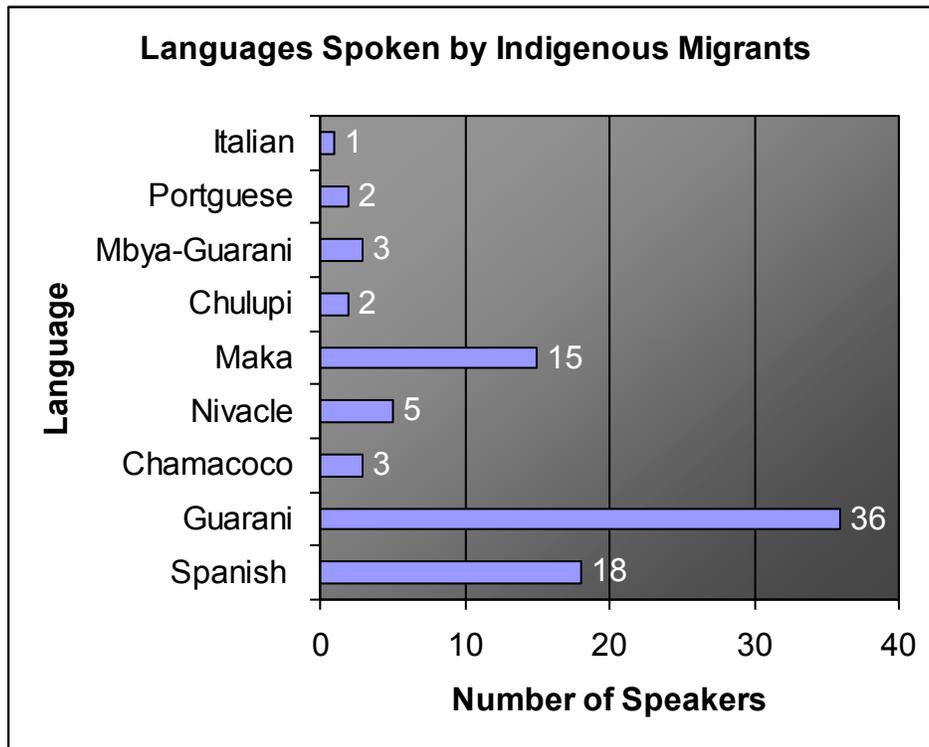
Figure 3d—*Indigenous Migrant Participants' Level of Education*



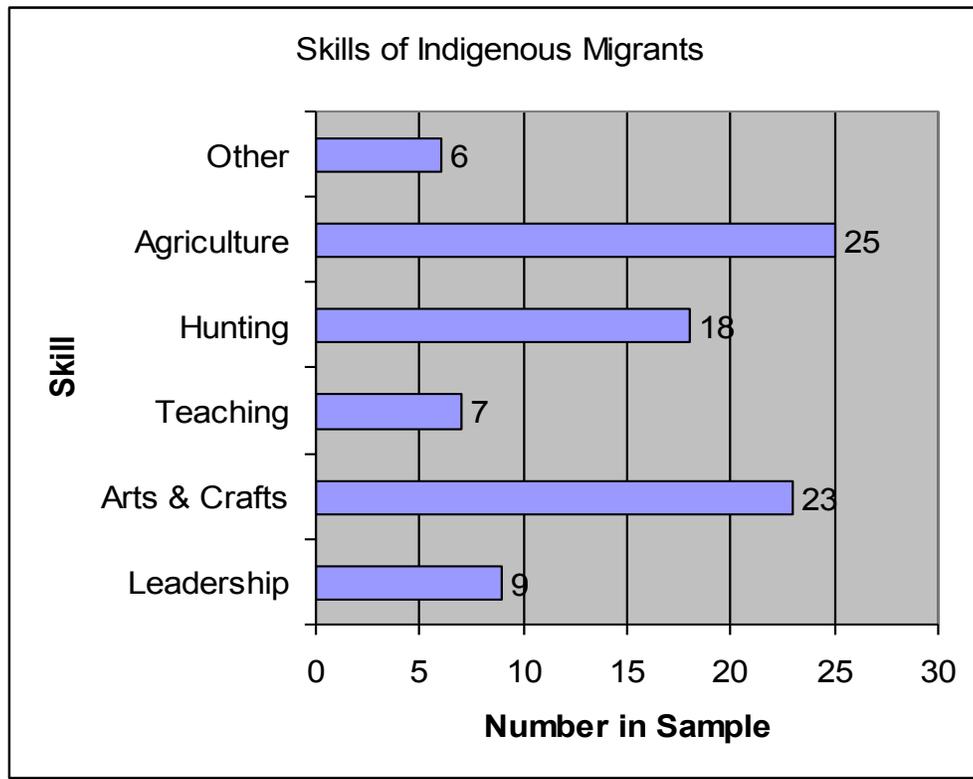
My sample of indigenous leaders, teachers, and professionals also spoke numerous languages and showed how multilingual Paraguay is. Only 34.6% of the indigenous migrants I interviewed spoke Spanish. In order to include non-Spanish speakers in my sample I hired a translator to accompany me. Among my fifty-two indigenous participants, I found speakers of eleven languages, many of whom

were multilingual. In fact, the average number of languages spoken by one person was 1.65, the least was 1, and the polyglot of the group spoke five languages fluently.

Figure 3e—*Languages Spoken by Indigenous Migrant Participants*



I asked the fifty-two indigenous migrants to identify their main skills. Due to the fact that many of them were leaders of their respective communities, 17.3% noted their main skill as leadership, and listed either teaching, agricultural production, or hunting as their second most important skill. Those who were teachers only taught classes through sixth grade. Other skills included: medicine, sales, iron work, and administration. The disconnect between the skills that the indigenous people have and the skills that are required to get a job or start a business in Asuncion is another obstacle that impedes the target population from improving their socio-economic status.

Figure 3f—Skill Set of Indigenous Migrant Participants<sup>3</sup>

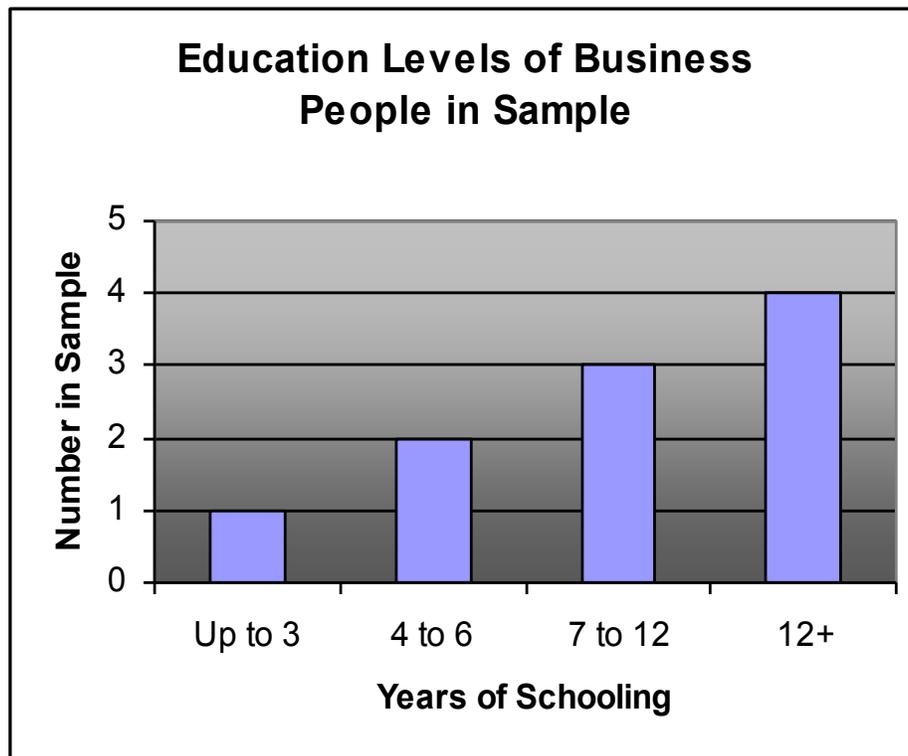
### C. Data From Business People

The level of education of the ten business people I interviewed varied considerably. The least educated entrepreneur I interviewed had only completed second grade, but said it was in school she learned to sew and make goods like tablecloths, place mats, blankets, and shirts. She was sixty years old and had been producing the same goods for more than fifty years. Although she had a low level of education and needed me to read her the participation form, it shows that even the less educated indigenous migrants might be able to launch a similar venture. The most educated business participants in my study were in the import/export business and had electrical engineering degrees. Their businesses brought high-tech cable parts from the United States of America and China and sold, installed, and

<sup>3</sup> Those who had more than six years of schooling all listed being a leader, teaching, or medicine as their main skill. Participants could identify more than one skill if they wished. The sum of all percentages is more than 100% and each percentage reflects what percentage of the sample possessed a particular skill.

maintained them for people in Paraguay. Although there was much variance in the education level among migrant participants, 70% of respondents had more than seven years of schooling. Ease with basic mathematical computations, such as addition and subtraction, was identified by 100% of participants as necessary to run their businesses or be an employee.

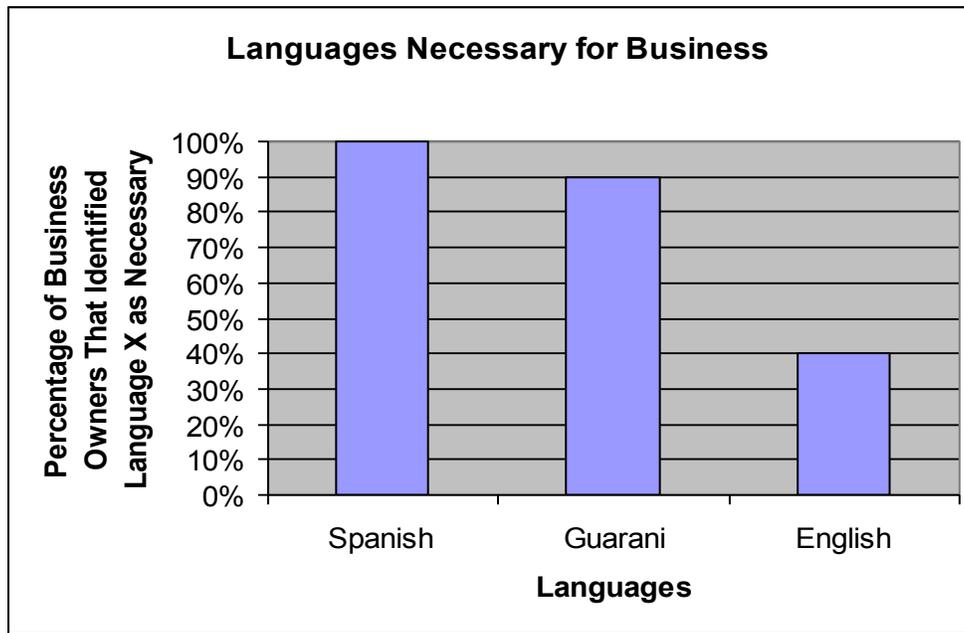
Figure 3g—Business Participants' Level of Education



Results from questionnaires targeted towards business people indicate that being at least bilingual is a must in Paraguay. All business people who participated in the survey were proficient in Spanish and 90% also knew at least basic Guaraní. Those involved in import/export businesses also noted that English was necessary to communicate with merchants in the USA, China, and Europe. Compared with the language data from the indigenous participants, it is clear that in order to become business owners, the native migrants have to learn Spanish. Not only is Spanish the universal language of business in Paraguay, but it is also the only language in which one can legally establish a business. I

found a book published by the Paraguayan Ministry of Industry and Commerce on how to open a business. To my knowledge, this book was not available in Guarani, and all legal documents required for opening a business were written in Spanish.

Figure 3h—*Languages Required for Business*



Participants that completed the business questionnaire worked in a variety of industries. Examples range from lingerie and underwear producers and designers to importers of Mercedes and used clothing. I selected fifty percent of the sample from artisan shops because I thought it would be a logical starting business for indigenous people. After all, they are the ones who produce the handcrafts being sold in local markets. I also interviewed more complicated businesses that imported cars, set up cable for televisions, and manufactured clothing. My motive for interviewing such a wide spectrum of entrepreneurs was to see if there was a gap in level of education and skill set between my various participants. There was. Therefore, as elaborated in the findings section of this report, a higher level of education for indigenous migrants will give them a wider variety of professional options in Asunción.

Figure 3i—*Business Participant Summary Table*

<u>Type of Business</u>	<u>Percentage of Sample</u>	<u>Products/Services</u>	<u>Average Years of Schooling</u>
Import/Export	40.00%	Cars, Clothing, Packages, Cable, and Electronics. Service and Maintenance.	17.25
Clothing	10.00%	Lingerie & Underwear	15
Handcrafts	50.00%	Cotton, Wood, Metal, Leather, and other hand-made goods.	7

## **IV. Findings**

### **A. Findings Overview**

After interviewing dozens of indigenous migrants and more than ten tribal leaders in Asuncion, I discovered that very few of the migrants are in a position to open a business or even qualify for a job in the urban center. The primary problem is that the vast majority of the indigenous population has unmet basic needs. Furthermore, prejudice, cultural differences, unstable and ineffective governmental organizations, and unfair governmental practices make economic independence hard to attain for most indigenous migrants.

### **B. Why Indigenous Migrants Are Not Qualifying for Microcredit Loans**

First-source data collected from interviews with microfinance and microcredit organizations that provide microcredit loans for people below the poverty line, indicate that indigenous people represent less than 1% of their clients. Why do indigenous people make up such a small percentage of the people receiving benefit from these organizations? There are three primary reasons: first, the indigenous population makes up a small percentage of Paraguay's total population below the poverty line. Second, most indigenous migrants do not meet basic criteria such as having a permanent address and paid electricity or gas bill for qualifying for microcredit loans. Third, microfinance organizations do not advertise their services toward indigenous migrants.

One reason why indigenous people make up less than 1% of the recipients of microcredit loans is simply because a large percentage of Paraguay's total population is below the poverty line. Figure 5a below shows levels of poverty in Paraguay from data collected in 2010. "The line of poverty in Paraguay is approximately \$120 per month per family member," stated the Director of Microfinance Projects at one of the NGOs I interviewed.

Figure 4a—*Poverty In Paraguay*

Poverty Level	Percentage of Total Population
Below poverty line	34%
Live off less than \$2/day	13%
Live off less than \$1.25/day	1.25%

Source: World Bank Development Research Group & Global Poverty Working Group, 2010

Since more than one-third of the total population falls below the poverty line, the above micro-finance organizations have a large pool of potential clients from which to choose, over 2.2 million people. The indigenous population only makes up 1.8% of the total population and therefore we would not expect more than 5.3% of these micro-finance clients to be indigenous, provided that loans were equally distributed by ethnicity and assuming that all indigenous people fall into the bottom third of the income bracket. Such a scenario helps put the situation into perspective by re-establishing how small the indigenous population is and how large the needy population is.

A second reason indigenous migrants make up such a small percentage of microcredit recipients is that they have difficulty meeting the basic requirements for loans. NGOs want to help the greatest number of people they can, but they also need to take into consideration factors that predict the probability that the borrower will be able to repay the loan. According to three microfinance organizations I interviewed, indigenous migrants are unlikely to meet the minimal requirements for obtaining a loan. One foundation listed the following materials and qualities necessary for obtaining a micro-loan:

- A business plan
- Trustworthiness
- Ability to return the money with 1-3% monthly interest.
- National identification card
- A paid bill for electricity or gas to prove their permanent address

Moreover, most indigenous communities do not have electricity in the majority of their

homes. In fact, just 9.7% of indigenous Paraguayans have electricity in their homes (DGEEC, 2002, p. 19). Microfinance organizations lend money to someone who is better off and seems more likely to return the money. Qualities such as trustworthiness must be evaluated from interviews and by presenting materials such as a paid electricity bill. The apparent lack of proficiency in Spanish by many of the migrants I met and interviewed would also be an obstacle in obtaining a loan. Although Guaraní is commonly spoken among Paraguayans, businesses rarely use Guaraní and nearly all legal documents required to take out a loan are in Spanish.

A third reason is that microfinance organizations connect with potential clients in Paraguay by word of mouth. Two of the three micro-finance organizations I interviewed said that all of their clients came through word of mouth. Neither of these two organizations said that advertising was necessary for them to get clients. "Our clients bring us more clients and during the year of 2011 we directly assisted over 54,000 people," says an employee at one of the microcredit NGOs I interviewed. As the least well connected members of society in Asunción, indigenous migrants seem to be excluded from this support network.

One microfinance institution that I interviewed differed from the others because it focuses much of its effort towards helping women in groups of about twelve. These groups of women begin the micro-finance program together and are given a larger sum of capital that is to be managed. Each woman in the group is responsible for all other members, thus they feel a collective responsibility to work together and return the loan money. A similar program could be equally beneficial and effective for indigenous migrants. However, since nearly all advertising is by word-of-mouth and there is a miniscule percentage of indigenous clients, it is not likely that the percentage of indigenous clients will grow soon.

### C. Indigenous Migrant Prerequisites For Entrepreneurial and Workplace Success

In this section I will expand on the second reason listed in the previous section: the indigenous migrants' inability to access microcredit loans because of their incapacity to meet the basic criteria for qualifying for loans.

As a group, the indigenous population has unmet basic needs that function as prerequisites to the education, job training, and start-up capital that they need. Once these prerequisites are met, the target population will be able to take advantage of education and job opportunities at much higher rates.

As part of my investigation, I visited three vastly different indigenous communities in and around Asunción. A group of homeless migrants from Caaguazú and Villa Rica, which lived alongside a major intersection in Luque, was the first community I visited. Later I visited the Asociación de Parcialidades Indígenas, a community of artisans from all over Paraguay that had basic shelter, yet still lacked access to hospitals and education. Finally, I visited La Comunidad Maká, an organized indigenous community of 2,000 people that had adopted some elements of capitalist society.

A group of more than 20 homeless migrants from Caaguazú and Villa Rica had been living next to a major traffic intersection for more than two months. They slept in black plastic structures that could not even protect them from the rain. They lacked adequate clothing for Paraguay's winter months and bathed in the sewers. They resorted to tapping into an underground water pipe to access potable water and begged for food. Since none of this community's members spoke Spanish, I brought a translator and found that both groups were displaced from their land by the government. From what I was told, both groups were relocated from their land to another area without being given the proper tools to farm and survive. They came to Asunción in search of support and to protest the Paraguayan government's treatment.



Photo 1—17 families from Caaguazú and Villa Rica have lived here for more than two months.

I visited Asociación de Parcialidades Indígenas (API), a community of nearly 400 indigenous families that came to Asunción from various parts of Paraguay. I interviewed Ricardo Flores, a community leader, and several other members of his community. They identified lack of economic resources as the primary problem in their community. The leader remarked, “We do not have the money to send our children to school, bring our handcrafts to market, or access medical services.” Greta, another member of API, was enrolled in a training program to become a teacher and commented on how difficult it was for her to attend her classes. “Many times I lack the money I need for the bus or lunch,” said Greta. On days she cannot afford the bus fare, she does not attend class and falls behind. Another problem in API was lack of access to medical services. Greta told me that when she contracted dengue fever she did not have the money to get to the hospital. The only way to the hospital for API members is more than an hour’s journey on a public bus and most people in the community do not have the means to pay for a bus ticket.

The inadequate living conditions of API were obvious. The houses were small, poorly

maintained wooden structures. Houses were about 10 by 20 feet, elevated two feet off the ground by decaying wooden stumps. There was no indoor plumbing, heating, or air conditioning. They were uncomfortable because the temperature in Paraguay frequently surpasses 105 degrees Fahrenheit during the day and it can hover around freezing temperatures during the night in the winter. Few houses had running water and electricity wires ran uncovered and exposed from house to house. Mr. Flores showed me the four eroding tree stumps supporting his house. He mentioned that it was a matter of time before the house collapsed because he could not afford replacement logs.

The third community I visited was La Comunidad Maká de Roque Alonso. This village was home to more than 2,000 Maká tribe members and 60 members from the Nivaclé tribe. This community was much more organized than the previous two and showed elements of modern, capitalistic societies. They required that I talk to a leader before taking photos and interviewing members. There was a definite social hierarchy, and they were not shy about asking me to donate something to the community in exchange for my visit. Orlando Gómez led me around the community, explaining that many of the inhabitants are artisans and that their goods are sold in Paraguay, Argentina, and Brazil. Although good leadership was definitely part of La Comunidad Maká's ability to provide decent living conditions, bring their handcrafts to market, and maintain a large population, they also acknowledged that they received help. All main buildings on their property were donated by organizations in Japan, and children who wanted to attend high school were given full tuition scholarships to a private school nearby funded by European missionaries. I was even told that one of the young men from their community was in Cuba studying medicine. Other elements of this community that differentiated it from others were a medical center, playground, school, electricity, potable water, and a cultural center, which was funded by a Japanese organization.

La Comunidad Maká seemed like a paradise compared to API and the camp-like setup of the

migrants from Villa Rica and Caaguazú. However, none of these communities have a high percentage of inhabitants that are employable and/or capable of qualifying for a microcredit loan. When exploring the Maká community, I found very few people who could speak basic Spanish. Although there was potable water, secure housing, and electricity for part of the community, other members did not have the same access if they could not pay.

In addition to the interviews in these three communities, I interviewed twelve indigenous community leaders. I found the majority these interviewees near INDI's headquarters in Asunción. All community leaders stated that they had the following unmet needs: potable water, legal defense of their property rights, roofs, clothing, medicine, healthy food, birth control, tools for agricultural production, and access to markets, credit, and hospitals. All of these leaders were trying to get aid for their communities. A general consensus shared among all leaders was that before people can take advantage of opportunities to improve their socio-economic status such as education work, they must have these needs met.

#### D—Access to Health Care

Resolving the basic health problems of the indigenous population begins by giving them access to potable water and hospitals, family planning services, and vaccinations and is the first step towards creating a successful population of workers and entrepreneurs. “The United Nations Declaration on the Rights of Indigenous People and ILO Convention NO. 169 recognize a wide range of rights, in particular to: land and territory, access to natural resources, and public service such as health, education and vocational training.” The majority of indigenous migrant interviewees expressed hardship in covering the costs related to accessing medical services and even potable water. Just 2.5% of indigenous people have access to potable water (DGEEC, 2012, p. 19). There are several public

hospitals that give all Paraguayans free service. However, many indigenous migrants do not have the money to cover their cost of transportation to and from the hospital and others do not live near any of these public hospitals. This causes many indigenous people to wait until their condition is very serious. The Paraguayan government could address this problem by providing public transportation for emergencies.

Another serious issue facing the indigenous population of Paraguay is lack of access to family planning services. Birth rates in communities such as the Guaná tribe are 8.9 percent. The total average number of children per woman is 6.3 for indigenous groups, versus 3.9 for the total Paraguayan population (DGEEC, 2012, p. 17). If such communities had access to birth control, fewer people would contract venereal diseases, health care cost would be lower, older children could spend more time in school rather than taking care of their siblings, and there would be fewer workers so wages would rise.

The indigenous communities lack basic protection from tuberculosis and water-borne diseases. In 2010, just 46 in every 100,000 Paraguayans contracted tuberculosis, yet all twelve indigenous leaders I interviewed said that some members of their communities were infected (Trading Economics, 2012). Seven leaders identified tuberculosis as “a major problem” in their communities (more than 30% infected). Close-quarter living conditions make the disease spread rapidly in indigenous communities. A leader of an indigenous community said that the only treatment his community had for tuberculosis was a ritual performed by his tribe's religious leader. In 1997, an Aché community of 1000 people 64.6% of adults tested positive for tuberculosis (Hurtado, Hill, Rosenblatt, Bender, and Scharmen, 2012, p. 135). The health problems mentioned above are of first priority for indigenous groups and make up a large part of the difficulties that they have in getting the basic needs met. Other problems of similar importance that also fall under the basic needs category include potable water, and proper housing that protects them from the elements. Maká was the nicest community that I

visited; however, it still faced all major problems described above. In fact, most other indigenous people I found in the city lived under structures made from black plastic sheeting and spent the day with their babies in the street begging for food or money. Photo 3 shows the black plastic structures in which many newly-arrived indigenous migrants live in Asunción.

Photo 2—*Housing structures in the API community.*



Photo 3— *Black plastic structures in which many indigenous migrants lived temporarily. Asunción, Paraguay*



## E. Education

A public education is not free in Paraguay. Before being able to send a child to school, parents must have enough money to afford the transportation to and from school, as well as money for lunch. In addition, since most public schools cannot afford books for the students, the students are burdened with the cost of photocopies of their teacher's textbook on a daily basis. Frequent sickness, the opportunity cost of going to school, and lack of money to pay for transportation and food are common issues that prevent young indigenous people from attending schools. Once the prerequisite needs mentioned in section 5C are met, indigenous people will be able to take advantage of educational opportunities. The long-term negative impact of this can be seen when comparing the national illiteracy rate to the same figure for the indigenous population as shown in Figure 5b.

Figure 4b—*Illiteracy in Paraguay*

Group	Rate of Illiteracy
Total Paraguayan Pop.	7.1%
Indigenous Paraguayan Pop.	51.0%

Source: Censo Nacional Indígena de Población y Viviendas 2002—DGEEC

I visited a few public schools in the urban center and learned that all students also have to pay for their uniforms and writing implements. For many people, the cost of transportation alone is enough to discourage a family from sending their child to school. Instead, many families depend on their children to bring in money from begging. Common places to see indigenous people begging include traffic intersections, in front of supermarkets, and in major plazas of the capital. Young children, along with the elderly and disabled, are often the most effective beggars. Therefore, the opportunity cost of putting children in school poses short-term difficulties for many indigenous families in Asunción.



*Photo 4—Indigenous migrant children working during school hours.*

In a best-case scenario, an indigenous family of a husband and wife and their two children come to Asunción and father gets a job earning the minimum wage of \$360 per month. This is the minimum wage that is supposed to be enforced by the government and entails a 48-hour workweek. Jobs that typically pay this wage include most entry-level positions of salespeople in stores, factory workers, drivers, and construction workers, for example. The father would spend his day working, and the mother would take care of their children. From the father's salary of \$360, the family must pay for their rent, food, electricity, water, transportation, health insurance, garbage disposal, and their children's education, which is nearly impossible. This best-case scenario is highly unlikely and it is more probable that the migrant would obtain a job such as a residential garden worker or domestic employee. I have met a few indigenous people who attained the above-mentioned jobs. Ivo Sapena, for example, is a tribal leader from Caaguazú who came to Asunción in June of 2012. He went door to door in neighborhoods asking if he could work as a gardener. He has now been working for one month as a residential gardener, meaning that his employer is giving him room and board. Ivo Sapena's

monthly take-home salary is \$80, and he is grateful to have found a job.

Even this level of “success” is rare here in the capital of Paraguay because most indigenous people do not have the assertiveness Ivo had to seek work, and they often lack the Spanish skills. Ivo learned Spanish as a fifteen-year-old in his community and identifies his primary skills as hunting, fishing, and agricultural work. Although Spanish is not necessary for gardening, having a solid command of Paraguay's official Romance language often indicates an acceptable level of education to most employers. His employer probably thought that his former leadership role in his community meant that he would be a responsible and effective worker.

Whether falling into the best-case-scenario category, the situation of Ivo Sapena, or being homeless and jobless like most of the indigenous migrants to Asunción, it is nearly impossible for recent indigenous migrants to educate their children in Paraguay's capital.

#### F. Language Barriers

Language barriers are another significant obstacle that prevent migrants from obtaining a job or opening a business in Asunción. Out of the indigenous people I interviewed, only 65% had a moderate or better command of the Spanish language. For the remaining 35%, I needed a translator to interpret indigenous languages such as Chamacoco, Chulupí-Nivaclé, Chulupí, Maká, and Nivaclé. For adults, not being proficient in Spanish can limit their options for work. For children, lack of basic Spanish can be a seemingly impossible barrier to overcome in school. If a ten-year-old child tries to enter fifth grade with sub-par Spanish skills, he or she might have to work much harder than his or her classmates in order to achieve similar grades in school. For many migrants this challenge may be too great, thus discouraging them from continuing with their studies.

I found examples of financial hardship leading to leaving school and the limitations of only

knowing indigenous languages even in the household of my host family. My host brother's family contracted two domestic workers to clean, cook, and take care of four-year-old twins. One of the recently hired workers, Ana, speaks Spanish and is sixteen years old. When I asked her why she was not in school and she told me, "I used to go to school, but my vision was very bad. I could not see the blackboard by the time I was fourteen, so I stopped." Ana later told me that she had glasses when she was younger, but after she broke two pairs, her parents could no longer afford to buy her another pair. Ana's cousin is older, probably in her early twenties, and does not speak Spanish or Guarani. The host family needs Ana to act as a translator to transmit any kind of message to her cousin. The cousin cannot understand even everyday basic expressions such as, "If you'd like to eat, come join us at the table." In such a situation, she would just nod her head, say "yes," but not eat. In this household, her language skills limit her to routine cooking and cleaning. She cannot play with the twin boys because she does not know Spanish.

For indigenous migrants, or any other person from the interior of Paraguay, speaking only the indigenous language makes finding work even more difficult than for someone who is bilingual. To establish a business in Paraguay, it is necessary to file all documents in Spanish. Government agencies such as the Ministry of Industry and Commerce offer packets on how to open and legalize a business, but such packets are only available in Spanish and the forms required to legalize a business are also in Spanish. In sum, not knowing Spanish in Asunción will limit the possibilities of employment and make legally establishing one's own business nearly impossible.

#### G. Cultural Differences and Prejudice

The culture shock that many indigenous migrants face when moving to the capital from their respective lands is another factor that needs to be considered. As described by Richard Reed's *Forest*

*Dwellers, Forest Protectors* (2009), many indigenous groups sustained a comfortable lifestyle from just four hours of work per day. After seeing that this method has worked for centuries, it is not hard to see why many indigenous migrants do not have the initiative to seek jobs in the capital or pick up useful skills. In fact, some indigenous people may initially be shocked after being exposed to the faster pace of life in Asunción.

Many of the Asunción-born Paraguayans I talked to on a daily basis refer to the indigenous migrants as lazy. I respond by asking them if they are sure that it is by choice that they are not working. Surprisingly, many people tell me that they can work like anybody else and that they just choose not to. Most answers I received are broad and do not seem sensitive to the struggles that this study identifies. This perspective on the indigenous population leads to prejudice.

However, unmet basic needs are not the only things preventing indigenous migrants in Asunción from progressing upward socio-economically. Lack of government support and government corruption, cultural differences, and prejudice are also key obstacles.

#### H—The Ineffective and Corrupt Paraguayan Government

The most challenging part of this study was obtaining information from the Paraguayan government. I called the more than five ministries and government agencies over thirty times, sent many emails and never got the information I needed. I was always transferred from one department to another, left on hold, or disconnected.

I was determined to find statistics on Paraguay's indigenous population so I set my sights on a government agency in charge of indigenous affairs. I called all four numbers listed on their website. Two were disconnected, and the other two were never answered. I went to the headquarters, where there were more than seventy protesting indigenous people and several armed guards. I was able to talk

to a researcher, Juan. Juan was not able to give me the information I was looking for, but was insightful nonetheless. He is frequently sent out on trips to oversee projects such as well installations, but never told to collect and analyze data. He said he could not get me statistics on the indigenous population because they did not exist. I realized throughout the interview that the entity was not able to operate effectively in part because they had no data to develop an effective strategy. After talking with employees in the legal office, I found out that their budget is not large enough for them to be able to operate effectively.

My experiences with the Paraguayan government were similar to those of many other researchers and investigators. The US Department of State reported, “Although the law provides for public access to government information, citizens and noncitizens had limited access to government information [in Paraguay]. Insufficient infrastructure and determined efforts to hide corruption hindered access” (2011). Reading this publication assured me that my unfruitful efforts to obtain statistics on the indigenous population from the various government agencies were not completely due to bad luck. In fact, another researcher I met, who was studying potable water in Paraguay’s rural areas, had a similarly frustrating experience with governmental agencies.

According to the World Bank’s Worldwide Governance indicators, corruption in Paraguay is a serious problem. Although there are consequences for official corruption, many Paraguayan politicians utilize a law that prohibits court cases from lasting more than five years to finagle themselves out of legal consequences. In fact, I suspect that it is a large part of the explanation for why Paraguay has not been able to follow through on the rights that they grant indigenous persons in their constitution.

The [Paraguayan] law provides indigenous people the right to participate in the economic, social, political, and cultural life of the country; however, the government did not always effectively protect those rights. Discrimination and lack of access to education, health care,

and sufficient land hindered the ability of the indigenous persons to progress economically while maintaining their cultural identity. The law protecting the property interests of the indigenous persons was not respected in practice. (US Department of State, 2011, p. 16)

After working with a researcher involved with the 2002 Paraguayan National Census, I learned that the government omitted statistics he gathered about a large indigenous community that was living in a landfill outside Encarnación. Although my direct exposure to government corruption in Paraguay has been limited, I feel certain that corruption is an indirect obstacle impeding the target population from opening businesses and becoming employable.

## **V. Summary and Discussion**

In this paper, I investigated how indigenous migrants in Asunción, Paraguay can become self-sufficient through the establishment of a business or the attainment of a job in Asunción, Paraguay. I conducted seventy-seven interviews with indigenous migrants, business people, and governmental and non-governmental organizations. I found that very few people from the target population are in a position to open a business or attain a job due to unmet basic needs. These unmet needs include adequate housing, food, potable water, and access to health care. I discovered that unstable and ineffective governmental organizations, unfair governmental practices deprive the indigenous population of needed services. In addition, low educational levels, cultural differences, and prejudice make economic independence difficult to attain for most indigenous migrants in their present circumstances.

Interviews with three microfinance organizations revealed that the majority of indigenous migrants do not meet the basic criteria for borrowing. Their lack of a permanent address and other key documentation makes them ineligible. They are considered high-risk borrowers. Since indigenous migrants do not meet the basic criteria, microfinance organizations do not advertise to them. The indigenous population represents a small proportion of the total pool of potential clients for micro finance organizations, making it highly unlikely that indigenous migrants can access the credit they need to open a business.

The target population has unmet needs that function as prerequisites for obtaining the education, job training, and startup capital they need. Once these prerequisites are met, the indigenous migrants will be able to take advantage of educational and professional opportunities at higher rates.

Interviews with twelve indigenous community leaders revealed that most indigenous people have unmet needs. These study participants identified legal defense of their property rights, roofs, clothing, medicine, healthy food, family planning services, and access to markets credit, education and hospitals as their primary needs. The three indigenous communities I visited varied from a group of seventeen homeless migrant families that were displaced from their land by the Paraguayan government to a community of 360 artisans, to an organized village of 2,000 members of the Maká tribe.

Interviews with doctors, anthropologists, environmental organizations, governmental organizations, artisans, business people, and journalists allowed me to identify low educational levels, language barriers, cultural differences, prejudice, and unstable and ineffective governmental agencies as additional obstacles impeding the target population from improving their socio-economic status via the establishment of a small business or the attainment of a job in the urban center.

The situation of Paraguay's indigenous migrants is critical. In order for the target population to grow Paraguay's economy and help themselves through successful entrepreneurship and productive work, they first need to have their basic needs met. Then, indigenous people will be able to take advantage of education and professional opportunities, which would help to break down stereotypes of laziness from potential employers and credit lenders. I see such an outcome possible only through foreign intervention and aid. In addition, the Paraguayan government needs to be monitored more carefully because there are high levels of corruption that have proven to be part of the reason the indigenous population is in such a stark situation. If the indigenous migrant population of Asunción get their basic needs met and government and non-governmental organizations follow through on their stated missions within the next few years, Paraguay would benefit greatly by the augmentation of productive entrepreneurs and professionals and the indigenous migrants would become economically

independent.

### References

*The World Factbook 2009*. Washington, DC: Central Intelligence Agency, 2009.

<https://www.cia.gov/library/publications/the-world-factbook/index.html>

DGEEC, Dirección General de Estadística, Encuestas y Censos (2002). *Pueblos Indígenas del Paraguay. Resultados Finales*.

El Gobierno del Paraguay. (1992). *Constitución de La Republica del Paraguay* (Publication).

Asunción, Paraguay.

Hobbs, J. (2012, July 2). Paraguay's Destructive Soy Boom. *The New York Times*, pp. 1-3.

Hurtado, M., Hill, K. R., Rosenblatt, W., Bender, J., & Scharmen, T. (2003). Longitudinal Study of Tuberculosis Outcomes Among Immunologically Naive Aché Natives of Paraguay. *American Journal of Physical Anthropology*, 121(134-150), 138-140.

López, C. (2009, February 22). Niños indígenas viven en extrema pobreza, no hay acciones. Retrieved August 26, 2012, from ABC Digital website: <http://archivo.abc.com.py/2009-02-22/articulos/497924/ninos-indigenas-viven-en-extrema-pobreza-no-hay-acciones>

Paraguay - poverty headcount ratio. (2010). Retrieved from IndexMundi website:

<http://www.indexmundi.com/facts/paraguay/poverty-headcount-ratio> World Bank,

Development Research Group. Data are based on primary household survey data

obtained from government statistical agencies and World Bank country departments. Data for high-income economies are from the Luxembourg Income Study database. For more

information and methodology, please see PovcalNet

(<http://iresearch.worldbank.org/PovcalNet/index.htm>).

Reed, R., Dr. (2009). *Forest Dwellers, Forest Protectors* (2nd ed.). Upper Saddle River, NJ: Pearson Education Inc.

Romero, S. (2012, March 12). An Indigenous Language With Unique Staying Power. *The New York Times*, pp. 1-4.

Romero, S. (2012, March 24). Vast Tracts in Paraguay Forest Being Replaced by Ranches. *The New York Times*, pp. 1-4.

(STP-DGEEC) Presidencia de la Republica del Paraguay Ministerio de Educación y Cultura.

(2009). *Estadística Educativa 2009—Datos e Indicadores de la Educación* (Publication).

U.N. (2009, August). *United Nations Permanent Forum on Indigenous Issues* (Publication). United Nations.

US Department of State, Paraguay, Doc. (2011).

Bureau of Democracy, Human Rights and Labor. Part of country reports on human rights practices for 2011.